



CITY OF WEST LAFAYETTE TAX ABATEMENT HANDBOOK

Adopted by:

West Lafayette Economic Development Commission

January 1, 2005

Revised May 2009

Department of Development
609 West Navajo Street
West Lafayette, Indiana 47906

INTRODUCTION AND OVERVIEW OF THE TAX ABATEMENT PROCESS

Welcome to the Tax Abatement Process. Please read the following instructions together with Indiana Code 6-1.1-12.1 and the West Lafayette City Code - Chapter 27 ("Code"). The applicant is responsible for compliance with all legal procedures. Information from the Department of Development ("DOD") staff and Economic Development Commission ("EDC") is advisory only and applicant should consult with an attorney and/or accountant. Indiana State Code can be found at:
<http://www.in.gov/legislative/ic/code/title6/ar1.1/ch12.1.html>

1. Complete the appropriate forms:
 - A. Statement of Benefits (Form SB-1/RE or Form SB-1/PP depending on whether the applicant is requesting an abatement from real estate taxes or personal property taxes); Forms are available at <http://www.in.gov/icpr/webfile/formsdiv/2897.htm>.
 - B. City of West Lafayette Tax Abatement Application Form; and
 - C. Tax Abatement Application Supplementary Information Sheet for manufacturing equipment/real property, if applicable.
2. The following additional documents must be provided, if applicable:
 - A. Legal description of the real estate to be abated; and
 - B. Plat map showing the location of the real estate to be abated.
3. The filing fee paid to the West Lafayette Clerk Treasurer's Office. The fee schedule is as follows:
 - A. \$150.00 if the value of the proposed improvements is \$150,000 or less.
 - B. \$1.00 per \$1,000 of proposed improvements if the value of the proposed improvements is more than \$150,000. The fee shall not exceed \$1,000.
4. The fee and all forms must be received by the DOD at 609 W. Navajo, West Lafayette, Indiana 47906. The EDC does not meet on a regularly scheduled basis. Therefore, an abatement hearing will be scheduled after the application and SB-1 have been filed and the fee has been paid.
5. **EDC MEETING:** The applicant will be notified by letter two weeks prior to the scheduled hearing. The applicant or their representative must attend the hearing to answer questions of the commission members. Generally, the application can be reviewed at one hearing; however, if additional information is requested by the commission members, a second hearing may be required. The EDC will recommend

approval or denial of the Abatement Request to the West Lafayette Common Council ("Council").

6. **REDEVELOPMENT COMMISSION ("RDC") APPROVAL:** The EDC recommendation for an abatement request for property which lies within a "redevelopment project area" (known as a TIF district) shall be forwarded to the RDC for their approval. The applicant or their representative must attend the RDC meeting to answer questions of the RDC members.

7. The recommendations of the EDC and RDC together with the tax abatement application and appropriate forms will be forwarded to the Clerk Treasurer's Office and placed on the Council agenda for their approval or denial.

8. **WEST LAFAYETTE COMMON COUNCIL MEETING:** The Council will be briefed at a pre-council meeting which is scheduled prior to the Council meeting. The applicant or their representative may wish to attend pre-council to answer any preliminary questions of Council members. At the scheduled meeting of the Council, Council members may have additional questions. The applicant or their representative must be present to answer these questions. **The Council must consider the application at two separate meetings in order to approve an abatement request.** At the first meeting, upon approval of the application, a Declaratory Resolution will be issued. At the second meeting, the Council will vote for final approval of the application. A Confirmatory Resolution will be issued if the abatement request has been approved.

The Council meets on the first Monday of the month at 6:30 pm in the Council Chambers of City Hall, 609 West Navajo Street. To confirm the meeting date and time, it is recommended that you call the Department of Development at 765-775-5160.

9. The Clerk will forward a copy of the Confirmatory Resolution and copies of the SB-1 signed by the Mayor and Clerk Treasurer to the Tippecanoe County Auditor, DOD and the applicant.

10. Project construction or equipment installation must begin within **twelve (12) months** from the date of the Confirmatory Resolution. Completion of all activities must be within a **two (2) year** period after construction or installation begins unless a longer period is approved by the Council.

11. Approved applications for designation of real estate as an economic revitalization area require annual filing of an **Application for Deduction from Assessed Valuation of Structures in Economic Revitalization Areas** (State Form 322/RE) with the Tippecanoe County Auditor ("Auditor"), 20 North 3rd Street, Lafayette, Indiana 47901, (765/423-9207) before May 10 or not later than thirty (30) days after receipt of the notice of increase in assessment.

12. Approved applications for designation of personal property located in an economic revitalization area require annual filing of a **Schedule of Deduction from**

Assessed Value (State Form 103 ERA) with the Tippecanoe County Auditor between March 1 and May 15.

13. A **Compliance with Statement of Benefits** (State Form CF-1/RE or CF-1/PP) along with either Form 322/RE or 103/ERA must be filed the first year after application with the DOD and the Auditor and annually thereafter by May 15.

The forms will be reviewed by the DOD and a notice of compliance will be forwarded to the EDC for review. The forms will then be submitted to the Council for their approval. If the Council determines that the property abated is not in substantial compliance with the original approval, the Council will hold a hearing at one of their monthly meetings to determine whether the abatement should continue. The penalty for non-compliance with the approval of the economic revitalization area could be the loss of the abatement.

Should you have questions throughout the process, please contact the following agencies:

West Lafayette Economic Development Commission	(765) 775-5160
West Lafayette Department of Development	(765) 775-5160
West Lafayette Clerk Treasurer	(765) 775-5150
Tippecanoe County Auditor	(765) 423-9207
Tippecanoe County Assessor	(765) 423-9255
Indiana State Board of Tax Commissioners	(317) 232-3761
Greater Lafayette Commerce	(765) 742-4004

**CITY OF WEST LAFAYETTE
TAX ABATEMENT APPLICATION FORM
WEST LAFAYETTE ECONOMIC DEVELOPMENT COMMISSION**

Please complete the following questions prior to applying for tax abatement. Should questions arise please contact the Department of Development, 609 W. Navajo, West Lafayette, Indiana 47906, 765-775-5160. The abatement process is explained in the West Lafayette Tax Abatement Handbook. Please be sure that you also fill out the additional "supplementary" information sheets also attached.

SECTION I – APPLICANT

1. Name of Applicant: _____
2. Address: _____

3. Date Organized or Incorporated: _____
4. Chief Executive Officer: _____
5. Principal Contact or Agent: _____
6. Principal Office Address: _____
_____ Phone: _____
7. Name of Parent Company (if any): _____
8. Address of Parent Company (if any): _____

9. Applicant is applying for Economic Revitalization Area designation for the purpose of :
_____ Real Property Tax Abatement
_____ Personal Property Tax Abatement
(New Manufacturing Equipment)
_____ Number of full-time personnel currently employed locally
10. Please Provide:
 - a. a brief history of the company and eight (8) copies of the last Annual Report
 - b. relevant financial information, e.g. annual report, etc.

SECTION II – LOCATION OF IMPROVEMENT

11. Location of Site: _____

12. Assessor's parcel (Key) #: _____

13. Owner of Property: _____

14. Does the company currently conduct business at the location?:

_____ Yes

_____ No

If yes, describe: _____

SECTION III – NATURE OF THE IMPROVEMENT

15. Nature of the product or service to be performed at the site:

16. Description of the proposed physical improvements. What physical changes will be made on the project property?

Real Property or Manufacturing Improvements

Personal Property (New Manufacturing Equipment):

17. Cost of the real property or manufacturing improvements (excluding land costs): _____

18. Size of the facilities to be constructed (in square feet), if any:

19. Cost of the new manufacturing equipment to be installed:

20. What is the timetable for the start and completion of project?:

21. When is completion expected?: _____

22. How many permanent employees as a result of this project?:

23. In what type of employment will they be engaged?: _____

24. Estimate of the additional annual payroll to be produced at the end of:

1 year \$ _____ 3 years \$ _____

25. Will the project result in any pollution?: _____

_____ air _____ water _____ noise _____ other

Explain: _____

26. Will the project require a rezoning, variance, or zoning approval before construction is initiated? _____ yes _____ no

If yes, explain: _____

27. Describe additional public utilities and municipal services or facilities necessitated by the project (e.g., enlargement of sewer, street improvements, water supply, upgrading of traffic signals, etc.): _____

28. With what businesses will you directly compete in the Greater Lafayette Area?:

- | | |
|----------|-----------|
| 1. _____ | 6. _____ |
| 2. _____ | 7. _____ |
| 3. _____ | 8. _____ |
| 4. _____ | 9. _____ |
| 5. _____ | 10. _____ |

What are your products or services sold outside the eight (8) county areas?

29. The following is a definition of an “economic revitalization area”. Please read the definition and answer the following question as it pertains to your project.
According to IC 6-1.1.1-12.1-1:

“Economic revitalization area” means an area which is within the corporate limits of a city, town or county which has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings or other factors which have impaired values or prevent a normal development of property or use of property. The term “economic revitalization area” also includes any area where a facility or a group of facilities that are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues.

What evidence can be provided that the project property should be designated as an “Economic Revitalization Area” based on this definition?

SECTION IV – ADDITIONAL APPLICANT INFORMATION

30. Has the applicant or any predecessor of the applicant defaulted in any material respect the performance of financial obligations by the applicant?

_____ yes _____ no If yes, explain: _____

31. Has the applicant ever applied for or benefited from any tax abatement in any other project in the State of Indiana or elsewhere? _____ yes _____ no

If yes, explain: _____

SECTION V – ANNUAL REPORT & HISTORY OF COMPANY

32. Is there any pending litigation materially affecting the applicant?:

_____ yes _____ no If yes, please describe (or have counsel for the applicant describe) giving procedural posture of the case(s):

33. Are there any restriction contained in the applicant's Articles or Certificate of Incorporation, Charter, Bylaws, Code of Regulations or any agreements to which the applicant is a party that could affect the applicant's ability to engage in the project? _____ yes _____ no If yes, please explain:

34. Certified Public Accountant: _____

35. Commercial Bankers: _____

36. Company Counsel: _____

I hereby certify that the above information and representations are to the best of my knowledge true and complete.

Signature of Applicant

Position

Date Submitted

Company Contact Person

Address

Phone

Fax